

94TH CONGRESS
2D SESSION

S. 3133

IN THE SENATE OF THE UNITED STATES

MARCH 11, 1976

MR. PROXMIRE introduced the following bill; which was read twice and referred to the Committee on Banking, Housing and Urban Affairs

A BILL

To amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such Act to maintain accurate records and to furnish reports relating to certain foreign payments, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 17 of the Securities Exchange Act of 1934
4 is amended by adding at the end thereof the following:
5 “(h) The Commission shall, by rule or regulation,
6 require issuers of securities registered pursuant to section 12
7 to maintain accurate books, records, or accounts of all trans-
8 actions in such form and containing such information as the
9 Commission deems necessary to carry out its enforcement
10 responsibilities under this title.”.

1 SEC. 2. Section 13 of the Securities Exchange Act is
2 amended by adding at the end thereof the following new
3 subsection:

4 “(g) Each issuer of a security registered pursuant to
5 section 12 shall file with the Commission periodic reports
6 relating to any payment of money or furnishing of anything
7 of value in an amount in excess of \$1,000 paid or furnished
8 or agreed to be paid or furnished by the issuer during the
9 period covered by the report (i) to any person or entity em-
10 ployed by, affiliated with, or representing directly or in-
11 directly, a foreign government or instrumentality thereof;
12 (ii) to any foreign political party or candidate for foreign
13 political office; or (iii) to any person retained to advise or
14 represent the issuer in connection with obtaining or main-
15 taining business with a foreign government or instrumentality
16 thereof or with influencing the legislation or regulations of a
17 foreign government. Such reports shall be made available for
18 public inspection and copying and shall include such details
19 as the Commission may prescribe including—

20 “(1) the amount of each such payment or thing
21 of value and the date it was made or furnished or agreed
22 to be made or furnished;

23 “(2) the name of the person or entity to which the
24 payment was or is to be made or the thing of value was
25 or is to be furnished and in the case of a person who is

1 an official of a foreign government or instrumentality,
2 thereof, the official position of that person; and

3 “(3) the purpose for which the payment was or is
4 to be made or the thing of value was or is to be
5 furnished.”

6 SEC. 3. The Securities Exchange Act of 1934 is
7 amended by inserting after section 30 the following new
8 section:

9 “PAYMENTS TO OFFICIALS

10 “SEC. 30A. It shall be unlawful for any issuer of a
11 security registered pursuant to section 12 to make use of
12 the mails or of any means or instrumentality of interstate
13 commerce to—

14 “(1) offer, pay, or agree to pay any money or offer,
15 give, or promise to give anything of value to an in-
16 dividual who is an official of a foreign government or
17 instrumentality thereof for the purpose of inducing that
18 individual to use his influence within such foreign gov-
19 ernment or instrumentality to obtain or maintain business
20 for or with the issuer or to influence legislation or regula-
21 tions of that government;

22 “(2) pay or agree to pay any money or give or
23 agree to give any thing of value to any person knowing
24 or having reason to know that all or a portion of such
25 moneys or thing of value will be offered, given or prom-

1 ised directly or indirectly to any individual who is an
2 official of a foreign government or instrumentality there-
3 of for the purpose of inducing that individual to use his
4 influence within such foreign government or instrumen-
5 tality to obtain or maintain business for or with the
6 issuer or to influence legislation or regulations of that
7 government ;

8 “ (3) pay or agree to pay any money or give or
9 agree to give any thing of value to any foreign political
10 party or official thereof or any candidate for foreign
11 political office for the purpose of inducing that party,
12 official, or candidate to use its or his influence with a
13 foreign government or instrumentality thereof to obtain
14 or maintain business for or with the issuer or to in-
15 fluence legislation or regulations of that government; or

16 “ (4) pay or agree to pay any money or give or
17 agree to give any thing of value in a manner or for a
18 purpose which is illegal under the laws of a foreign gov-
19 ernment having jurisdiction over the transaction.”.

20 SEC. 4. (a) The last sentence of section 21 (d) of the
21 Securities Exchange Act of 1934 is amended by inserting
22 before the period at the end thereof a comma and the follow-
23 ing: “or, notwithstanding any other provision of law, the
24 Commission may initiate (through a presentation to a grand

1 jury), prosecute, and appeal any criminal action arising
2 under this title.”.

3 (b) The second sentence of section 20 (b) of the Secu-
4 rities Act of 1933 is amended by inserting before the period
5 at the end thereof a comma and the following: “or, not-
6 withstanding any other provision of law, the Commission
7 may initiate (through a presentation to a grand jury),
8 prosecute, and appeal any criminal action arising under this
9 title.”.

94TH CONGRESS
2d Session

S. 3133

A BILL

To amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such Act to maintain accurate records and to furnish reports relating to certain foreign payments, and for other purposes.

By Mr. PROXMIRE

MARCH 11, 1976

Read twice and referred to the Committee on
Banking, Housing and Urban Affairs